



KATIE C. MORGAN
DIRECTOR
TELECOMMUNICATIONS, TRANSPORTATION, WATER/WASTEWATER

COPY

February 28, 2007

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
Public Service Commission of South Carolina
P.O. Drawer 11649
Columbia, South Carolina 29211

D. Duff
SA
2/28/07

DOCKET NO. 2005-224-C - Petition of the Office of Regulatory Staff for the Commission to Order a Rule to Show Cause as to Why the Certificates of Public Convenience and Necessity for Certain Providers of Telecommunications Services Should Not Be Revoked
-AND-

DOCKET NO. 1999-515-C - Application of Flatel, Incorporated d/b/a Telephone USA (fka: d/b/a Florida Telephone Company) for a Certificate of Public Convenience and Necessity for Authority to Provide Local Exchange Service

Mr. Terreni:

Pursuant to Order No. 2006-662, the Commission granted a temporary reinstatement of Flatel, Inc.'s authority to operate in South Carolina subject to various conditions. We have worked with the Company on these matters. The purpose of this letter is to report to the Commission that the company is now current with the filing of its Annual Reports and its USF Contributors Worksheet as required by the Commission's Regulations and the USF Guidelines. Additionally, the Company has filed its Gross Receipts Reports pursuant to the SC Code of Laws. The ORS is in the process of calculating any outstanding assessments which are due and will proceed with invoicing the company for those outstanding obligations.

Sincerely,

Jim McDaniel
Program Manager
Telecommunications Area
Office of Regulatory Staff

MAIL/DMS
PSC SC

FEB 28 2007

RECEIVED

C: Abby Matari, CEO, Flatel
Katie C. Morgan, Director, Telecommunications, Transportation, Water, Wastewater, ORS
Jeff Nelson, Counsel, ORS